

DEPARTMENT OF COMMERCE

International Trade Administration

[A-520-803]

Preliminary Negative Determination of Circumvention of the Antidumping Order on Polyethylene Terephthalate Film, Sheet, and Strip from the United Arab Emirates

AGENCY: Enforcement and Compliance, International Trade Administration, Commerce.

SUMMARY: On July 29, 2014, pursuant to allegations by Polyplex USA LLC and Flex USA Inc., the Department of Commerce (the Department) initiated an anti-circumvention inquiry to determine whether imports of polyethylene terephthalate film, sheet, and strip (PET Film) from the Kingdom of Bahrain (Bahrain) produced by JBF Bahrain S.P.C. (JBF Bahrain) are circumventing the antidumping order on PET Film from the United Arab Emirates (UAE). We preliminarily determine that PET Film produced by JBF Bahrain in Bahrain is not circumventing the order of PET Film from the UAE, ¹ pursuant to section 781(b) of the Tariff Act of 1930, as amended (the Act).

DATES: Effective: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Andrew Huston, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department

¹ See Polyethylene Terephthalate Film, Sheet, and Strip From Brazil, the People's Republic of China and the United Arab Emirates: Antidumping Duty Orders and Amended Final Determination of Sales at Less Than Fair Value for the United Arab Emirates, 73 FR 66595 (November 10, 2008) (Order).

of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4261.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The products covered by the order are all gauges of raw, pre-treated, or primed polyethylene terephthalate film, whether extruded or co-extruded. Excluded are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer more than 0.00001 inches thick. Also excluded is roller transport cleaning film which has at least one of its surfaces modified by application of 0.5 micrometers of SBR latex. Tracing and drafting film is also excluded. Polyethylene terephthalate film is classifiable under subheading 3920.62.00.90 of the Harmonized Tariff Schedule of the United States (HTSUS). While HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.²

Scope of the Anti-circumvention Inquiry

This anti-circumvention inquiry covers PET Film produced in Bahrain by JBF Bahrain from inputs (PET chips and silica chips) manufactured in the UAE, and that is subsequently exported from Bahrain to the United States.

<u>Methodology</u>

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² <u>See</u> Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Preliminary Decision Memorandum for Anti-circumvention Inquiry of the Antidumping Duty Order on Polyethylene Terephthalate Film, Sheet, and Strip from the United Arab Emirates" (Preliminary Decision Memorandum), dated concurrently with these results and herby adopted by this notice.

The Department has conducted this preliminary determination of circumvention in accordance with section 781(b) of the Act and 19 CFR 351.225(h). For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.³ The Preliminary Decision Memorandum is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at http://access.trade.gov, and it is available to all parties in the Central Records Unit in room 7046 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/. The signed Preliminary Decision Memorandum and electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Findings

As detailed in the Preliminary Decision Memorandum, the Department has preliminarily determined that the process of completion or assembly of PET Film produced by JBF Bahrain is not minor or insignificant, pursuant to section 781(b)(2) of the Act, nor is the value of the merchandise produced in the UAE a significant portion of the value of PET film exported from Bahrain to the United States, pursuant to section 781(b)(1)(D) of the Act. Therefore, the Department preliminarily determines that PET Film produced by JBF Bahrain in Bahrain using inputs from the UAE, and exported from Bahrain to the United States, is not circumventing the Order.

Public Comment

The Department intends to disclose the analysis used in these preliminary findings within five days of publication of this notice. Interested parties are invited to comment on the

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³ Id.

preliminary results of this review. Pursuant to 19 CFR 351.309(b)(2), interested parties may submit case briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may not be filed later than five days after the time limit for filing case briefs. 4 Case and rebuttal briefs, when submitted, must comport with the requirements contained in 19 CPR 351.309(c)(2) and (d)(2).

Any interested party who wishes to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance within 30 days after the day of publication of this notice pursuant to 19 CFR 351.310(c). A request should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed.⁵ Issues raised in the hearing will be limited to those raised in case briefs.

Final Determination

According to 19 CFR 351.225(f)(5), the Department will normally issue a final scope ruling in a circumvention inquiry within 300 days of the date of the initiation inquiry. Because of the extensive cost, investment, and research and development information required for this analysis from JBF, the Department is extending the deadline for the final ruling in this inquiry. The final determination with respect to this anti-circumvention inquiry, including results of the Department's analysis of any written comments, will be issued no later than July 31, 2015.

⁴ <u>See</u> 19 CFR 351.309(d)(1). ⁵ <u>See</u> 19 CFR 351.310(c).

This preliminary negative circumvention determination is published in accordance with section 781(b) of the Act and 19 CFR 351.225.

Dated: May 1, 2015.

Paul Piquado

Assistant Secretary for Enforcement and Compliance.

APPENDIX

List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Summary
- 2. Background
- 3. Scope of the Order
- 4. Scope of the Anticircumvention Inquiry
- 5. Statutory Framework
- 6. Statutory Analysis
- 7. Summary of Statutory Analysis

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